

- AMT Tax Break Could Help More than 70,000 Hudson Valley Families -

Washington, D.C. – U.S. Rep. John Hall today voted to help over 70,000 middle-class Hudson Valley families receive a crucial tax break during troubled economic times. The House passed H.R. 6275, the Alternative Minimum Tax Relief Act of 2008, by a vote of 233 – 189 with Hall's strong support. The bill would protect Hudson Valley families from the alternative minimum tax (AMT) this year by ensuring that the number of taxpayers subject to the AMT does not increase. It provides critical tax relief to more than 70,000 middle-class families in New York's 19th Congressional District who could otherwise see their taxes increase. "This bill responsibly relieves a heavy burden on middle-class taxpayers and helps to grow our troubled economy," said Hall. "By simply closing a few tax loopholes for big oil and big business, we are helping thousands of Hudson Valley families who are getting pinched at the pump and the supermarket. AMT has crept down to affect hardworking teachers, firefighters, and other middle-income families, and this bill will give them a much-needed break."

The AMT Relief Act would provide more than 25 million American families – a projected 70,000 families in the Hudson Valley – with tax relief in 2008 by extending AMT relief for nonrefundable personal credits and increasing the AMT exemption amount to \$69,950 for joint filers and \$46,200 for individuals.

The bill pays for itself by closing loopholes in the tax code, encouraging tax compliance, and repealing unnecessary subsidies to the oil industry. The bill would prevent investment fund managers from receiving a lower capital gains rate of 15 percent on income received as carried interest and instead would tax this as ordinary income. Nearly half of the estimated cost of the AMT Relief Act would be paid for by closing this loophole.

The bill drops unnecessary subsidies for the five largest oil companies by freezing the domestic production deduction for income at six percent. It also prevents foreign multinational corporations incorporated in tax haven countries from avoiding taxes on income earned in the U.S. by routing payments to subsidiaries in countries with a U.S. tax treaty.

Citizens for Tax Justice, a non-partisan research group, estimates that 109,510 families in New York's 19th Congressional District could be subject to the AMT in 2008 without Congressional action.